Kentucky: Between Iraq and a Hard Place

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Finance and Administration Cabinet

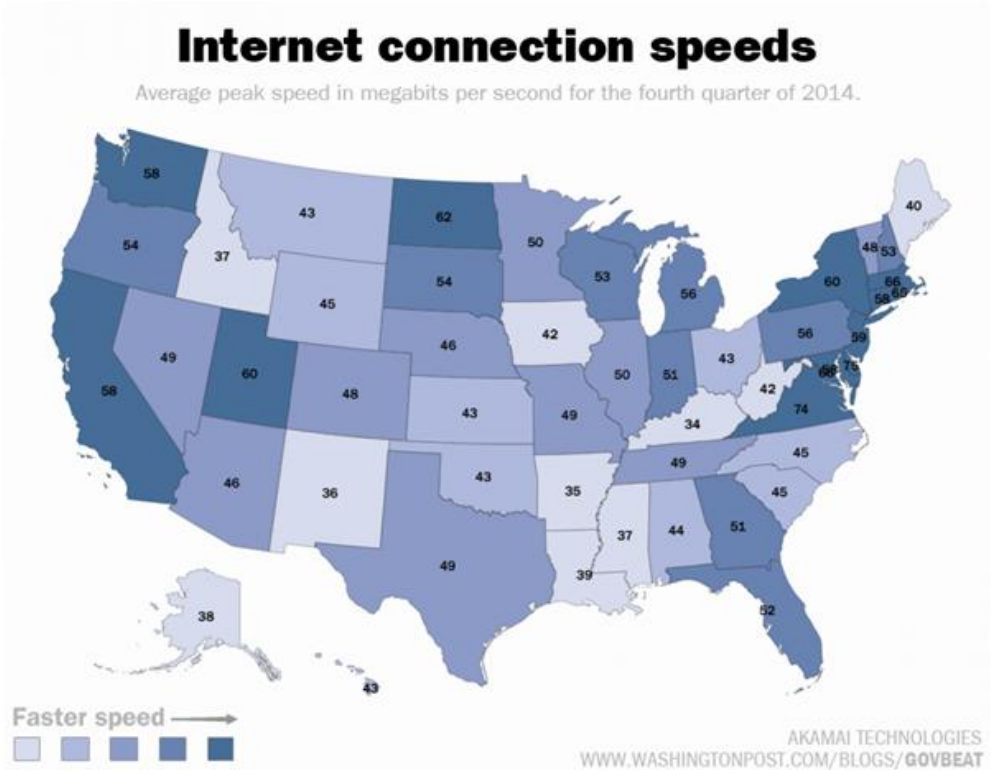
COMMONWEALTH OFFICE OF BROADBAND OUTREACH AND DEVELOPMENT
Promoting a 21st century economy

The Washington Post – March 26th, 2015

GovBeat

Map: The state of broadband in the states

By Niraj Chokshi March 25 Follow @NirajC



(Akamai)

Broadband speeds are expanding nationwide and the conditions seem good for even more growth.

Kentuckywired

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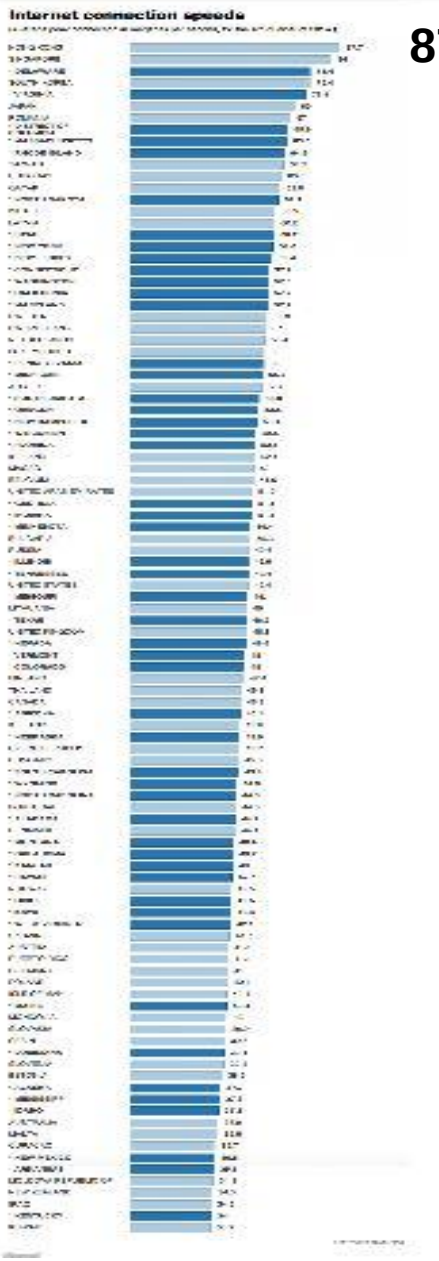
Average Peak Broadband Speed



87.7 Mbps

33.9 Mbps

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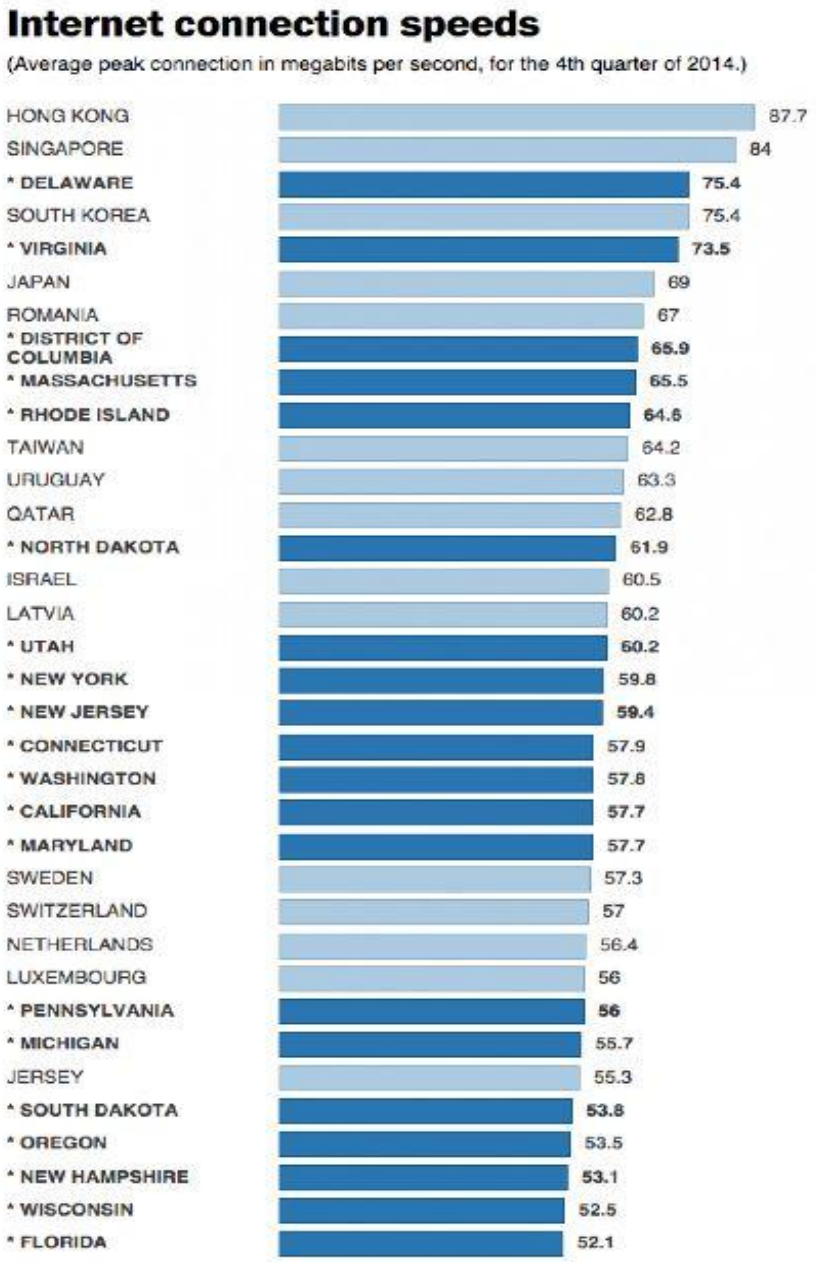

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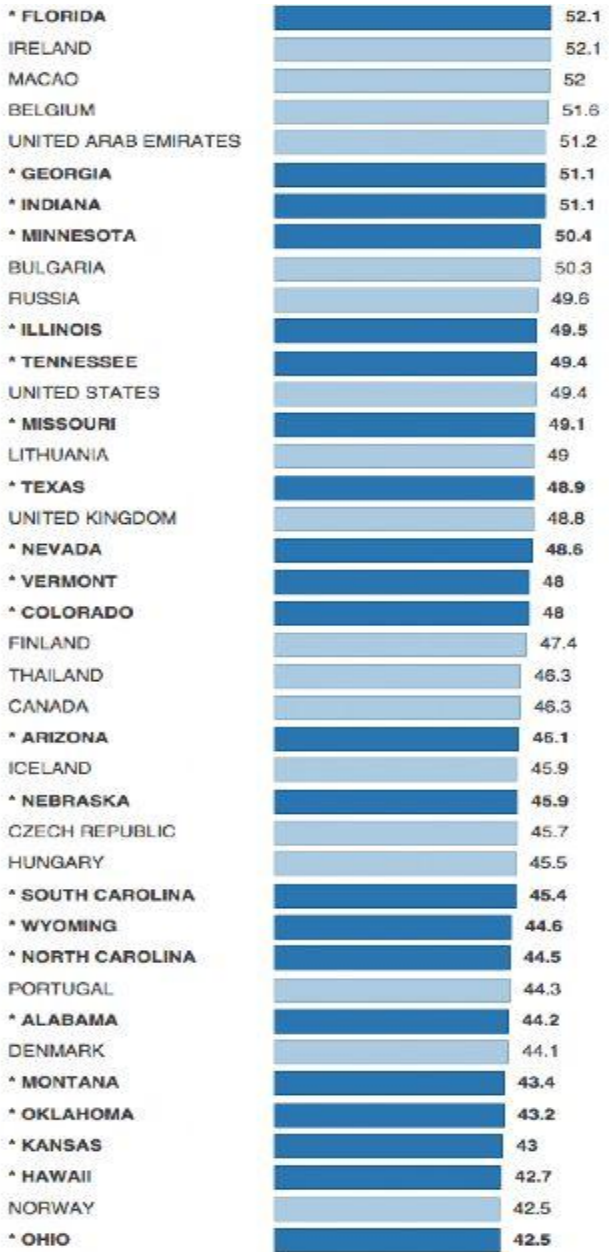

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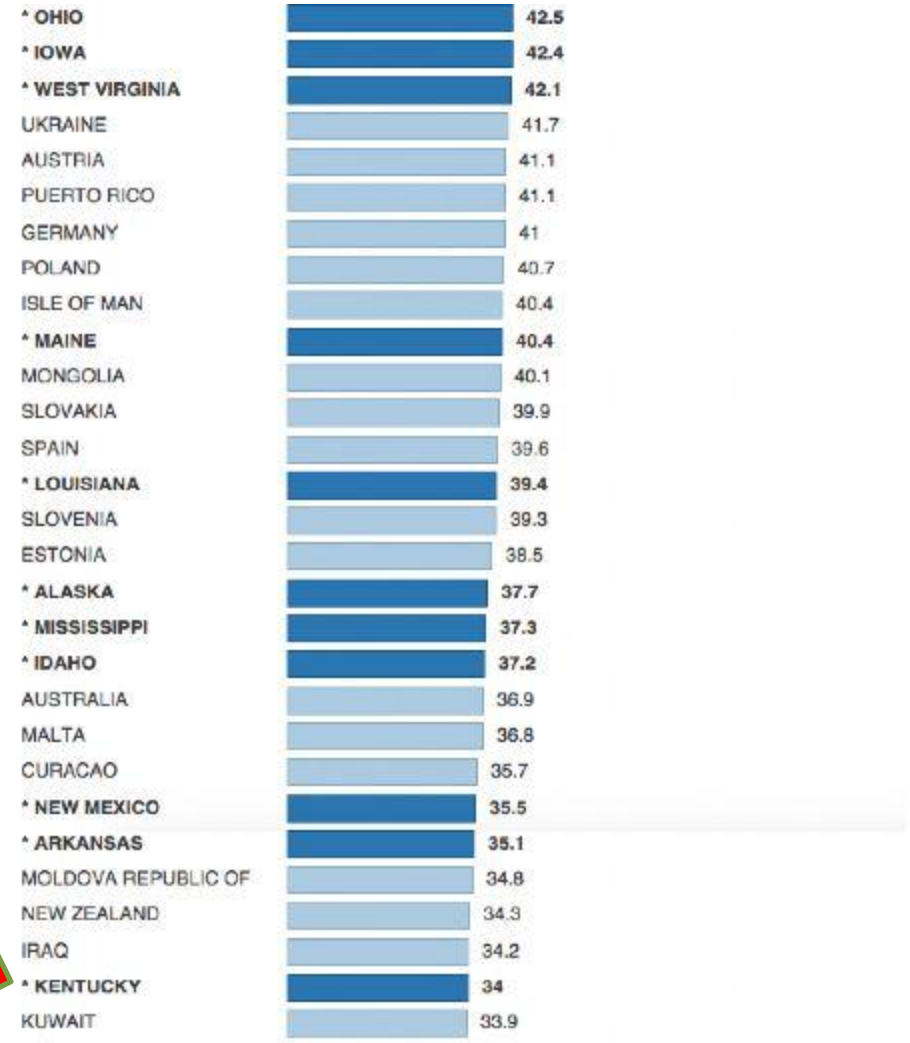
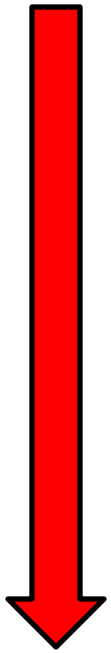


(Akamai)

Current State of Broadband

Accessibility + Adequate Speeds + Affordability + Awareness = ADOPTION

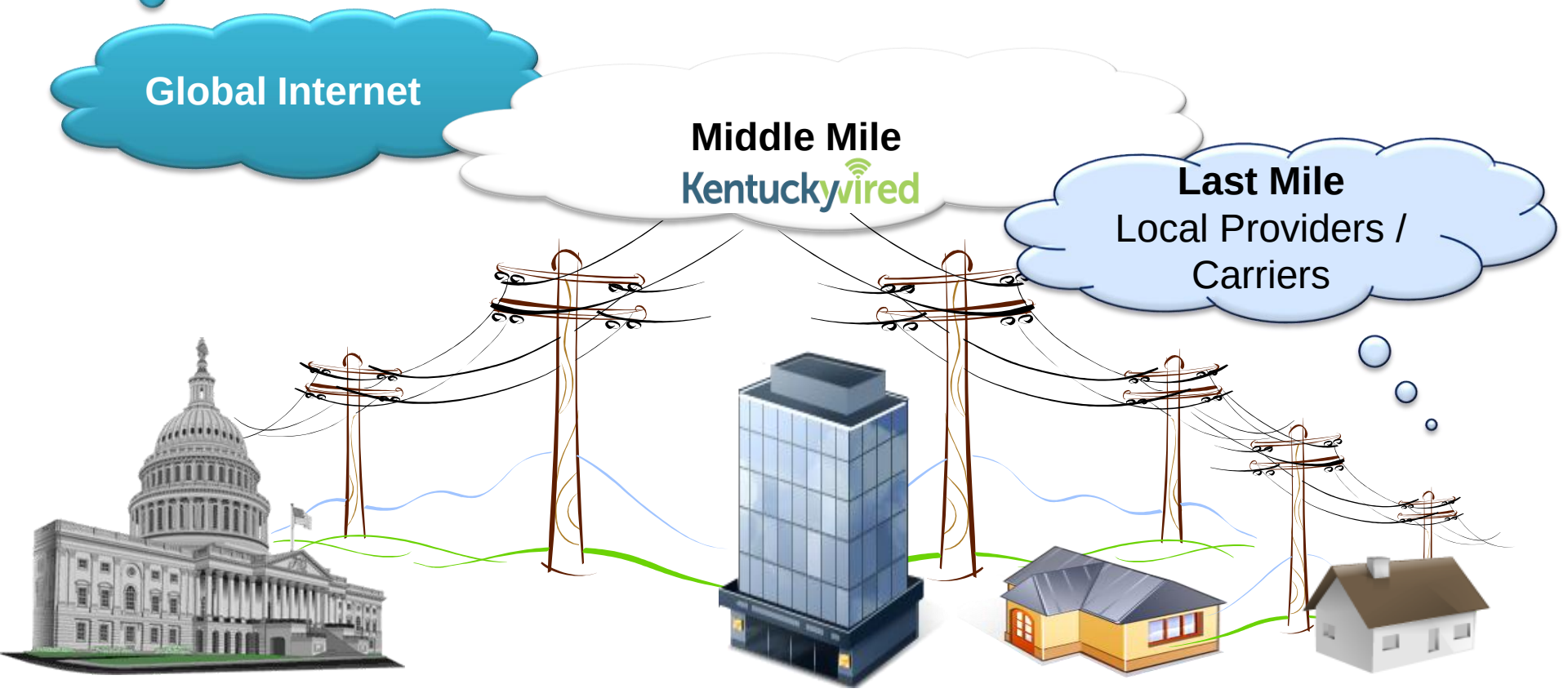
Bad



- Limited high capacity fiber
- Kentucky is 46th in the nation for broadband availability
- 23% of Rural population has no access vs. 1.5% in Urban areas
- Only 30% of Eastern Kentucky households adopt broadband vs. 60% urban adopters at the Federal Communication Commission's previous standard speed of 3 Mbps
- Gap widens with the FCC's new standard speed at 25 Mbps

Worst

Middle Mile vs. Last Mile



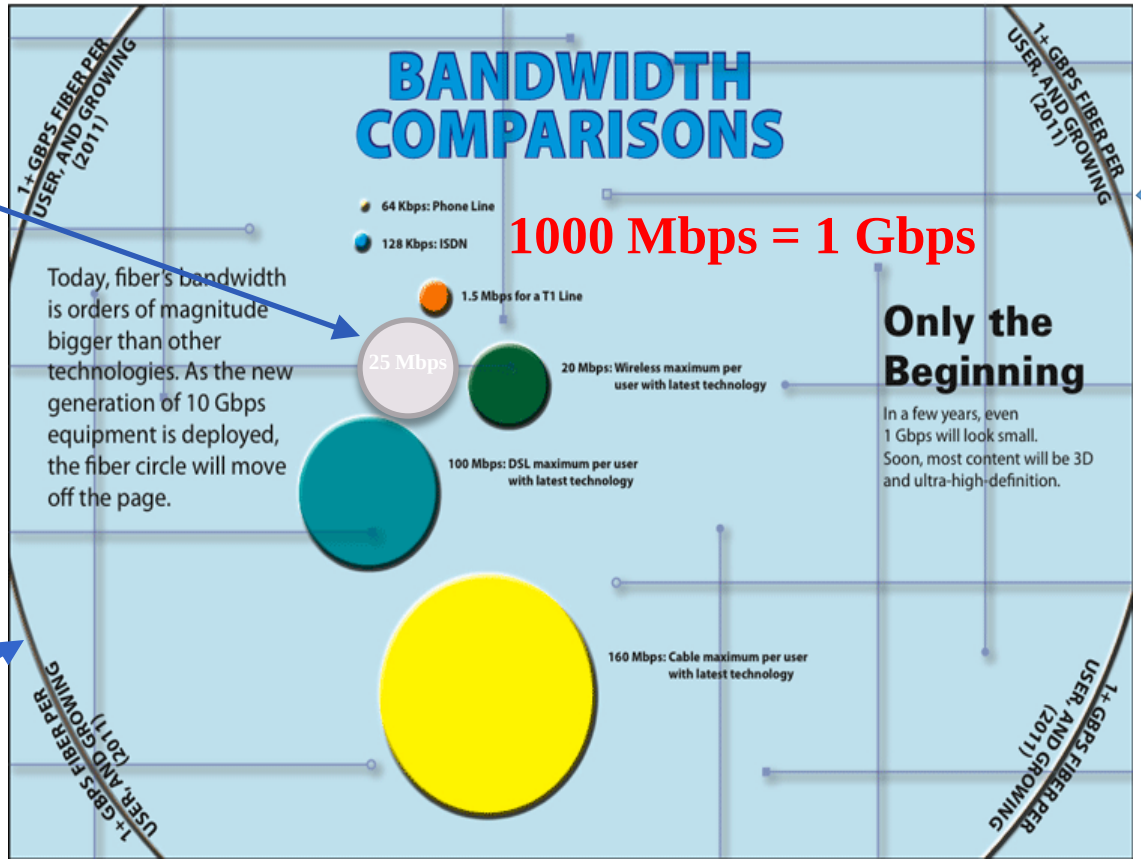
Middle mile **often refers to the network connection between the worldwide Internet and the** ***last mile*****. For instance, in a rural area, the middle mile would connect the town's network to a larger city.**

Fiber-To-The-Premises (FTTP) **- Internet Service Provider (ISP) installs fiber optic cable directly to a home or business.**

Mbps vs. Gbps

Most U.S. metro areas have access to Fiber and High Speed Broadband

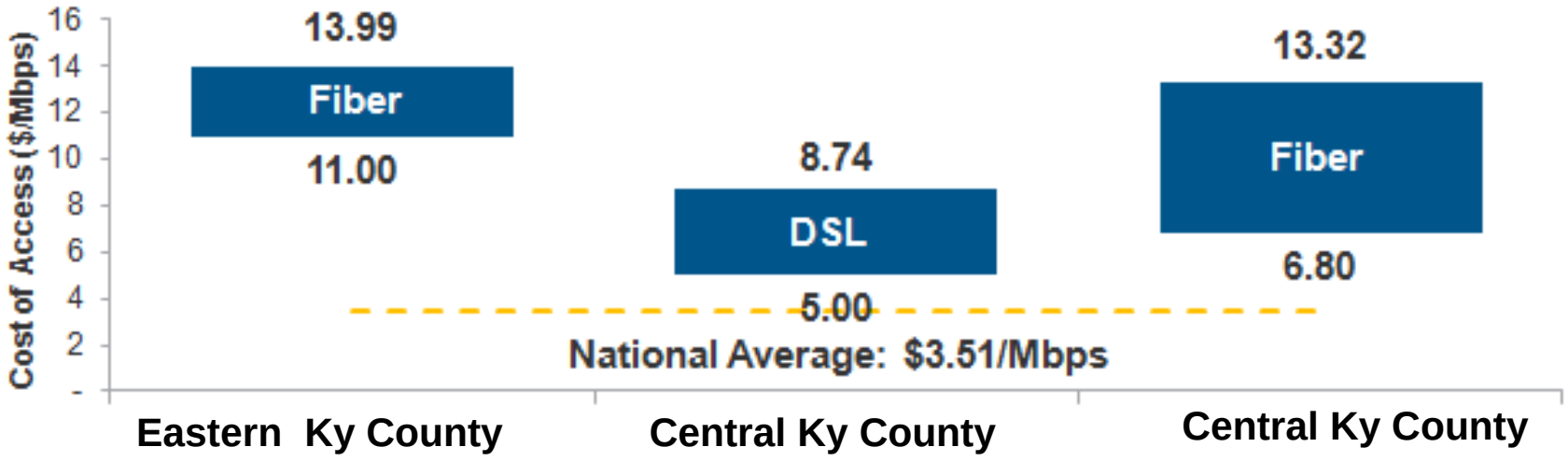
The FCC's current 25 Mbps standard is required to handle many of today's Internet requirements



1 Gbps

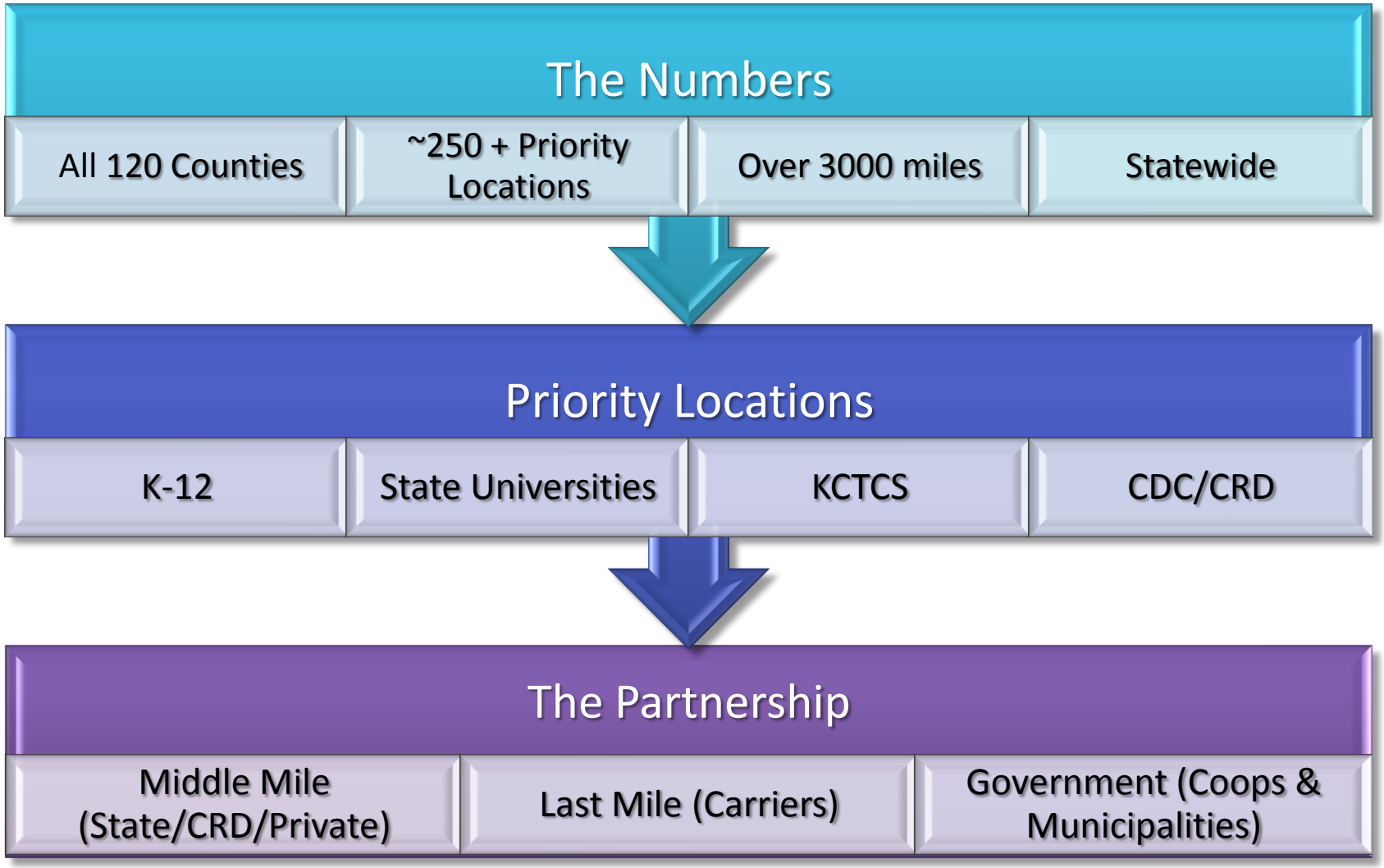
*Mbps (megabits/sec) is ***millions of bits per second***
Gbps (gigabits/sec) is ***billions of bits per second***

Driving Rationale



Residential Cost of Access

What is KentuckyWired?



Partners & Impact to Local Economy

Vendor Commitment

100+	Crews statewide
60%	Local labor
8-12 %	Minority hire
~$175M	Kentucky contracts

Jobs

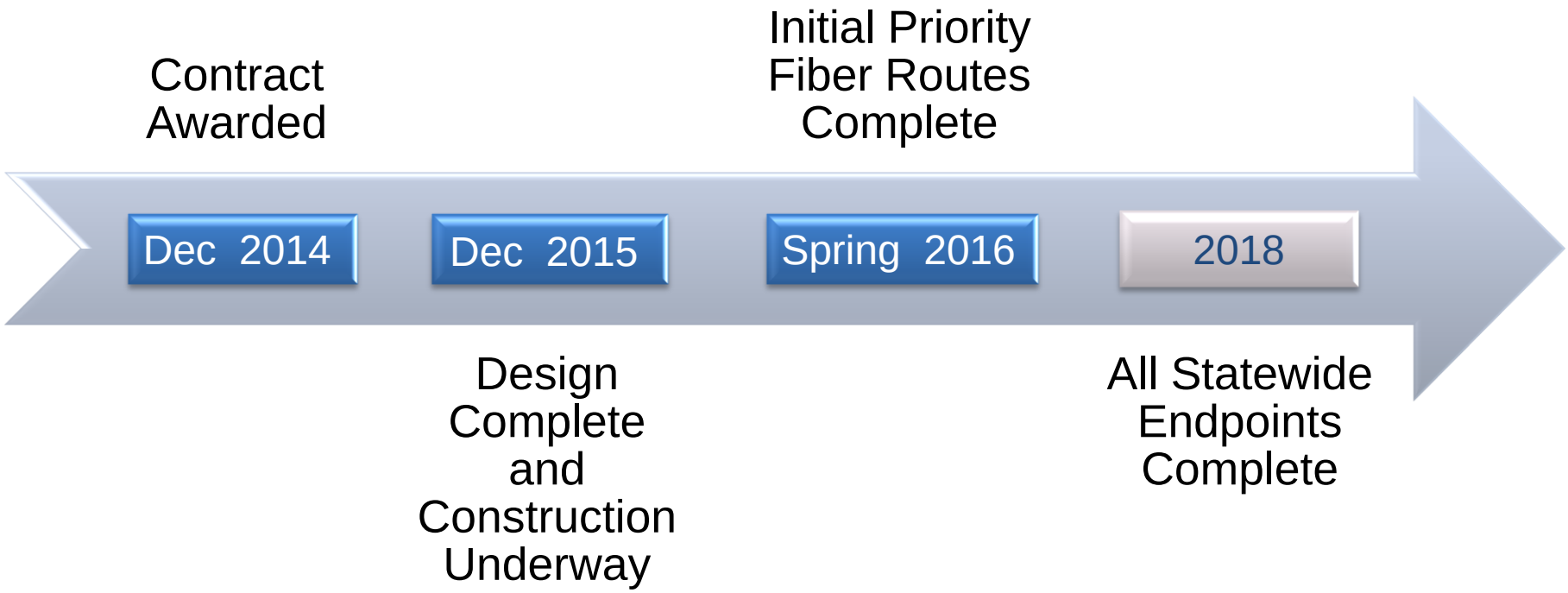
Construction phase through 2018

- ~690 FTEs (at Peak)
  - ✓ Engineering
  - ✓ Construction Management
  - ✓ Field Crews

Jobs through life of the contract

- ~20 FTEs
  - ✓ Executive
  - ✓ Engineering
  - ✓ Management
  - ✓ Administration
  - ✓ Skilled Technicians

Time Line


Contract Awarded
Dec 2014
Design Complete and Construction Underway
Dec 2015
Initial Priority Fiber Routes Complete
Spring 2016
All Statewide Endpoints Complete
2018

Community Strategy

Create a guide to help local leaders bring last mile service to their communities

- **Provide step by step guidebook to obtain federal funding**
  - ✓ **Appalachian Regional Commission Grants**
  - ✓ **Community Connect thru Rural Utilities Service Grants**
  - ✓ **Rural Utilities Service (USDA Rural Development) Loans**
- **Establish contracts to assist with implementation of new community programs**
- **Create or expand Internet Access Centers**
  - ✓**Libraries**
  - ✓**Community Technology Centers**
- **Engage local private sector partners and local government**

Questions?

Project & Contact Information

Website
KentuckyWired.ky.gov
Broadband.ky.gov

Email
KentuckyWired@ky.gov

Telephone
(502) 782-9549

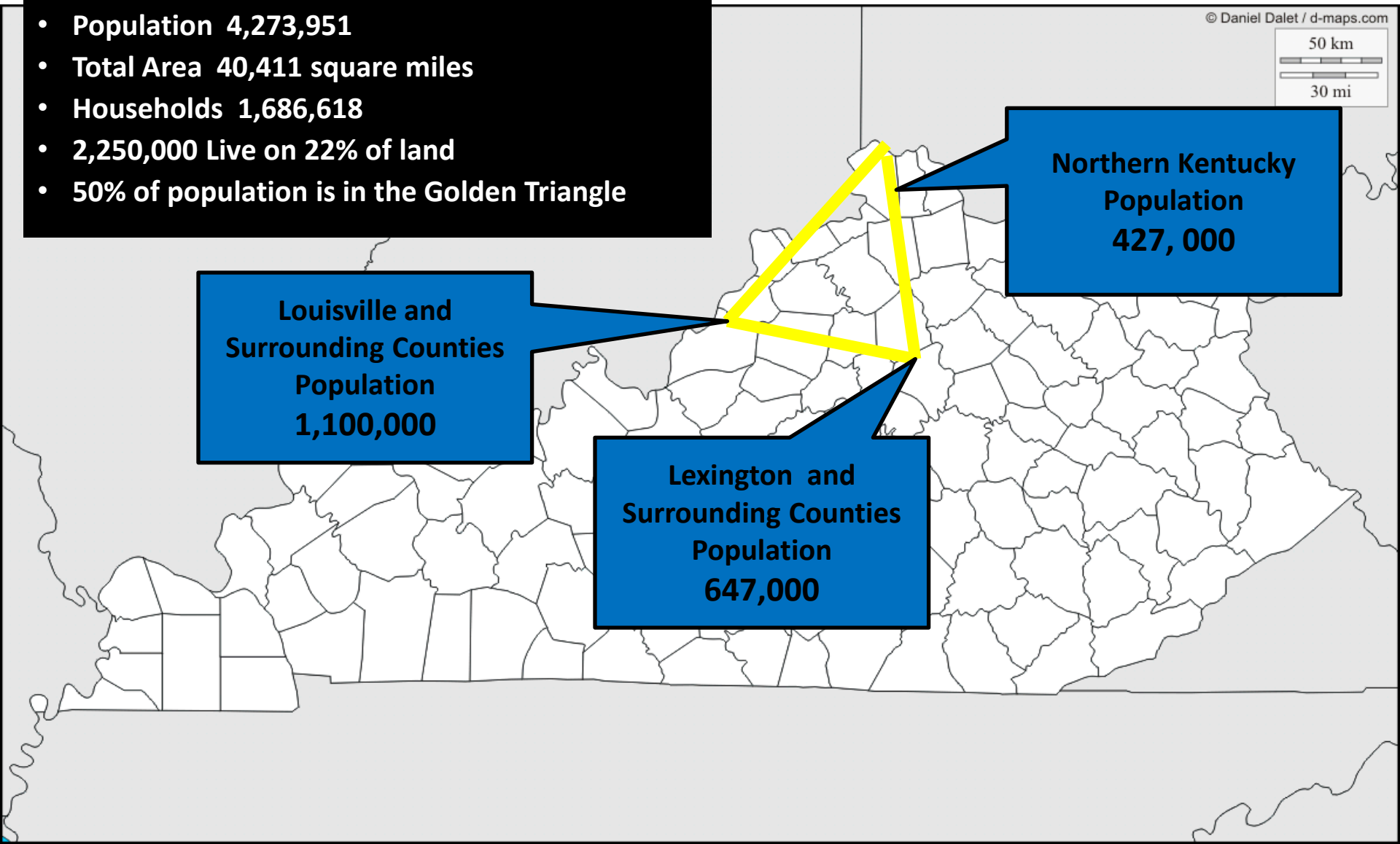
End of Presentation

End of Presentation

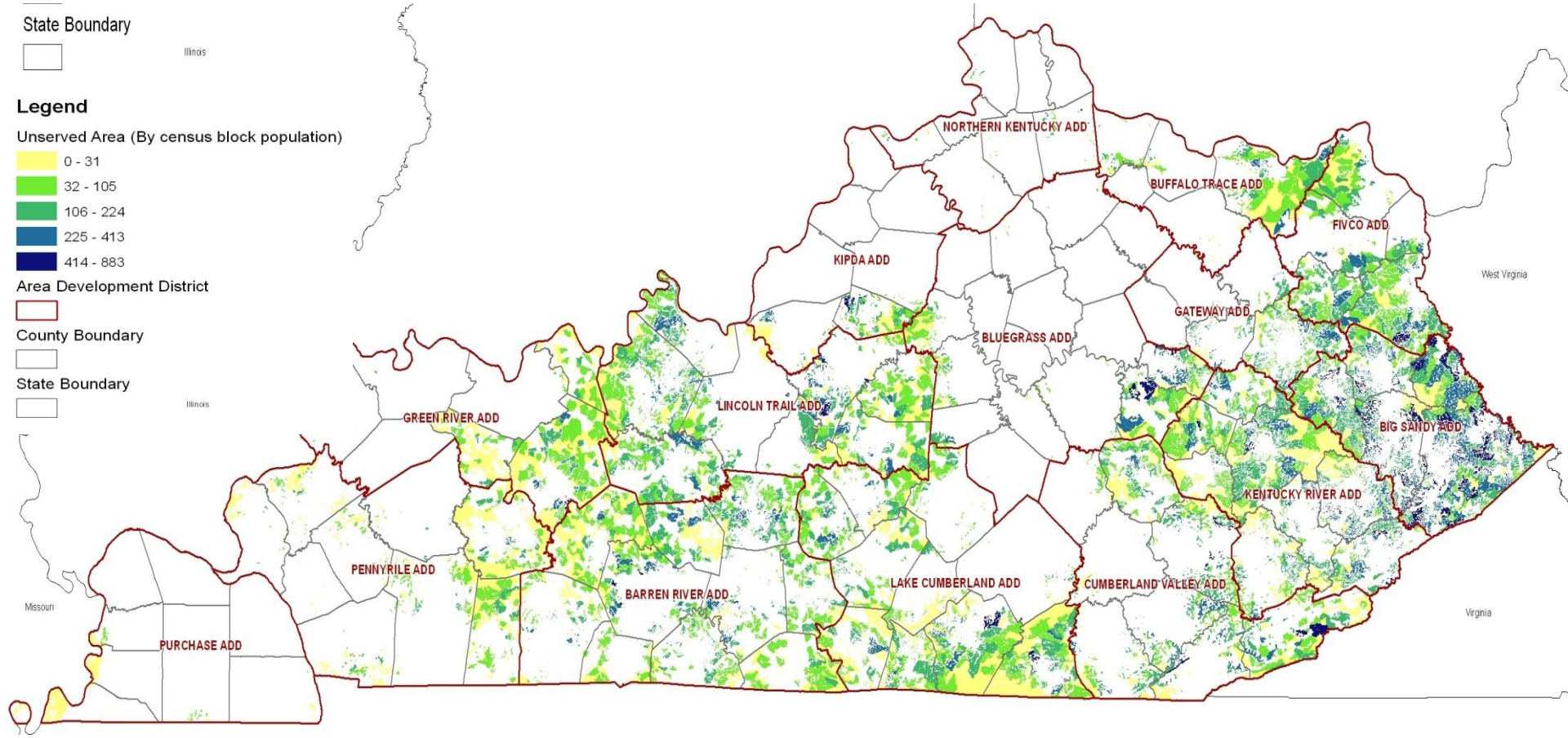
Slides 17- 23 are supplemental historic information for discussion purposes

Population Density

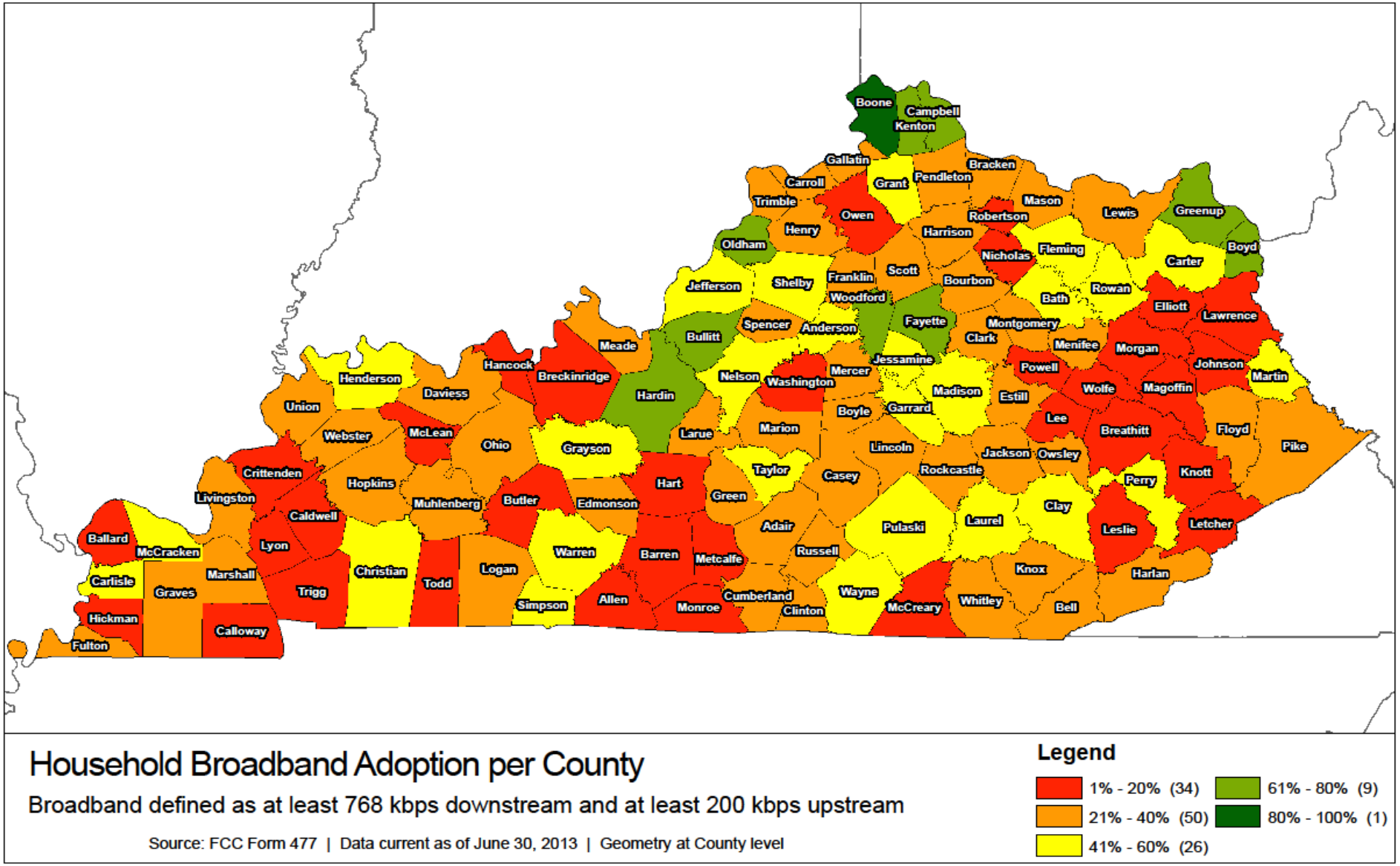
- Population 4,273,951
- Total Area 40,411 square miles
- Households 1,686,618
- 2,250,000 Live on 22% of land
- 50% of population is in the Golden Triangle



Un-served Kentucky



Broadband Adoption



Household Broadband Adoption per County

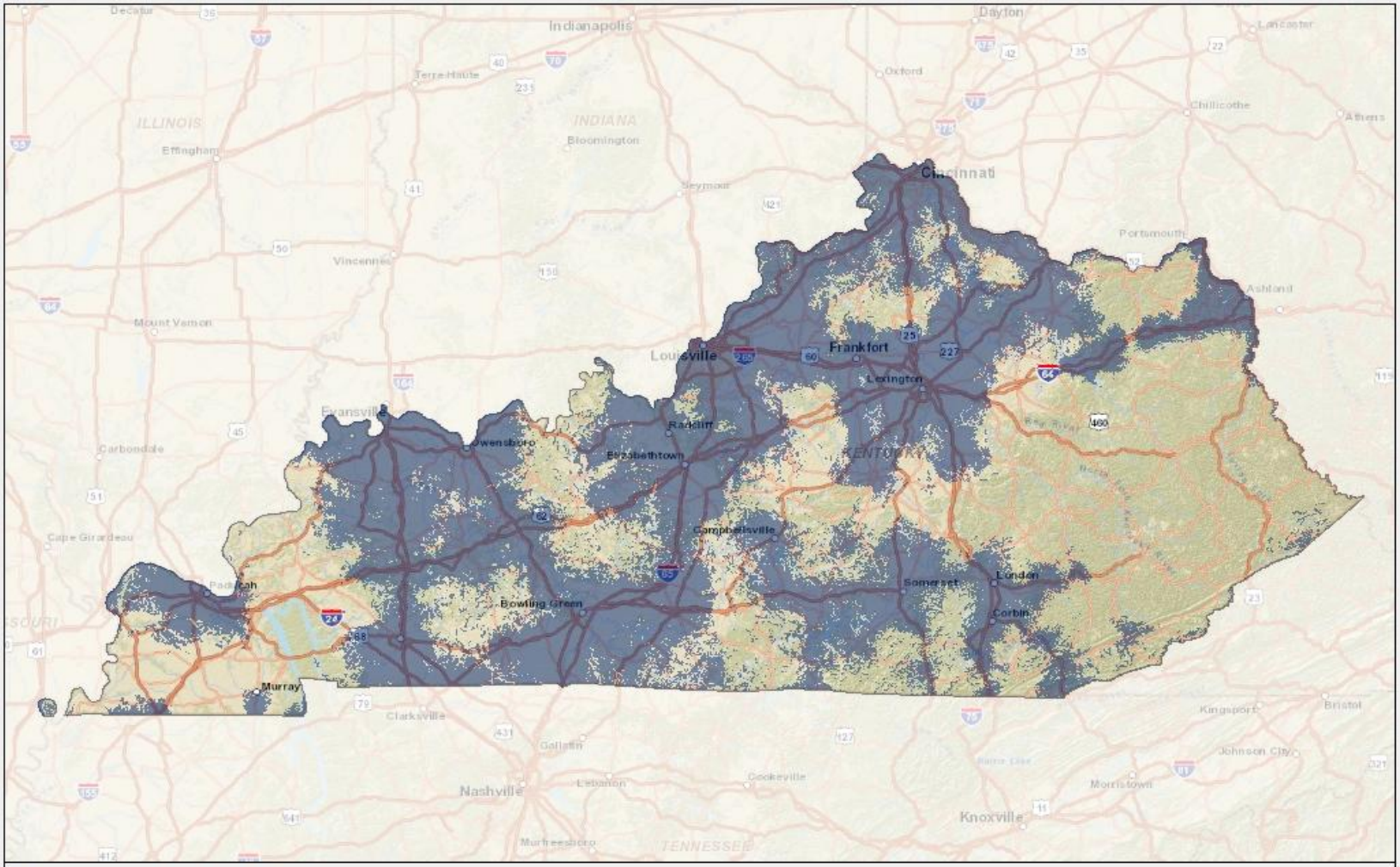
Broadband defined as at least 768 kbps downstream and at least 200 kbps upstream

Source: FCC Form 477 | Data current as of June 30, 2013 | Geometry at County level

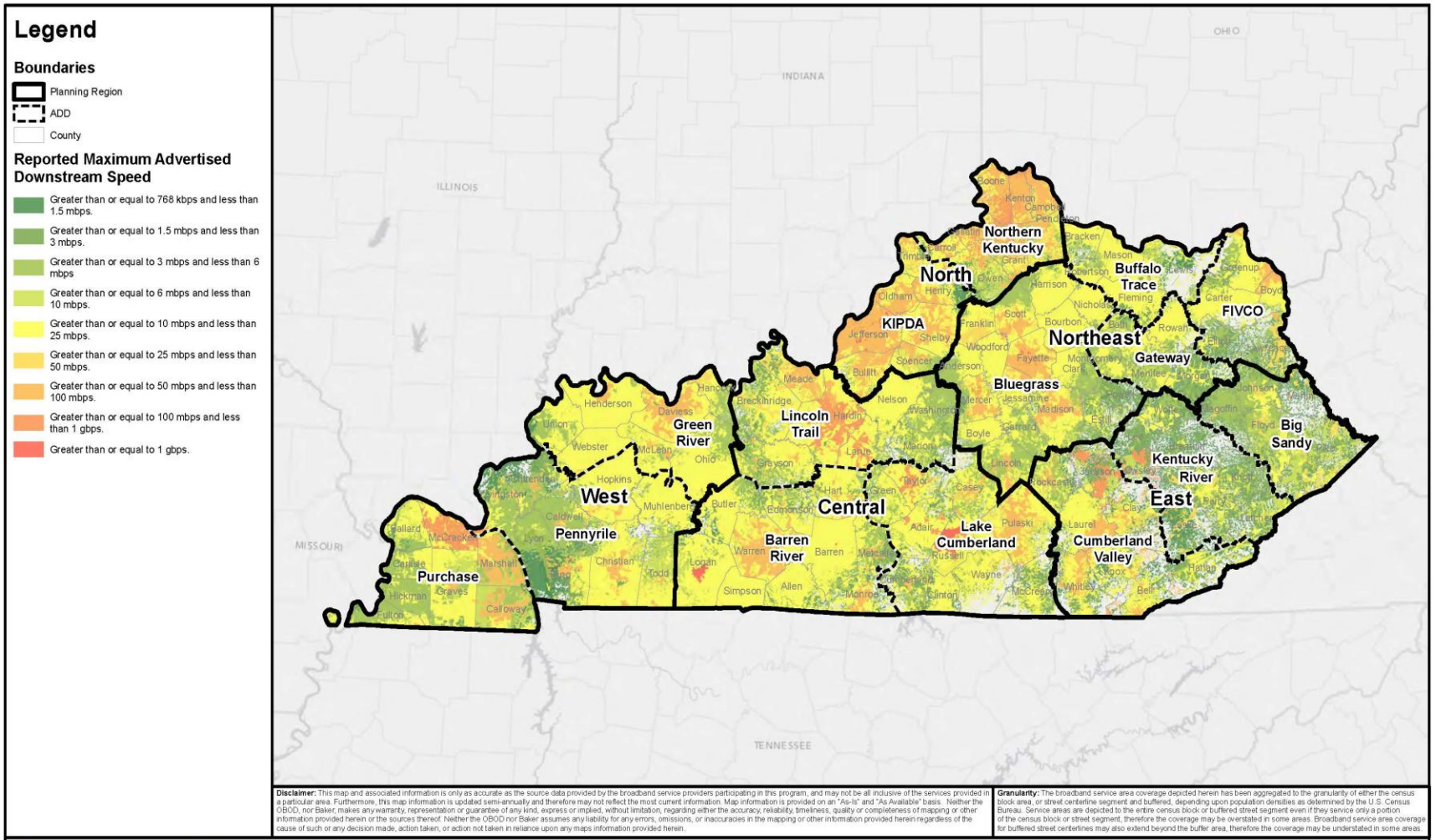
Legend

- 1% - 20% (34)
- 21% - 40% (50)
- 41% - 60% (26)
- 61% - 80% (9)
- 80% - 100% (1)

LTE Coverage

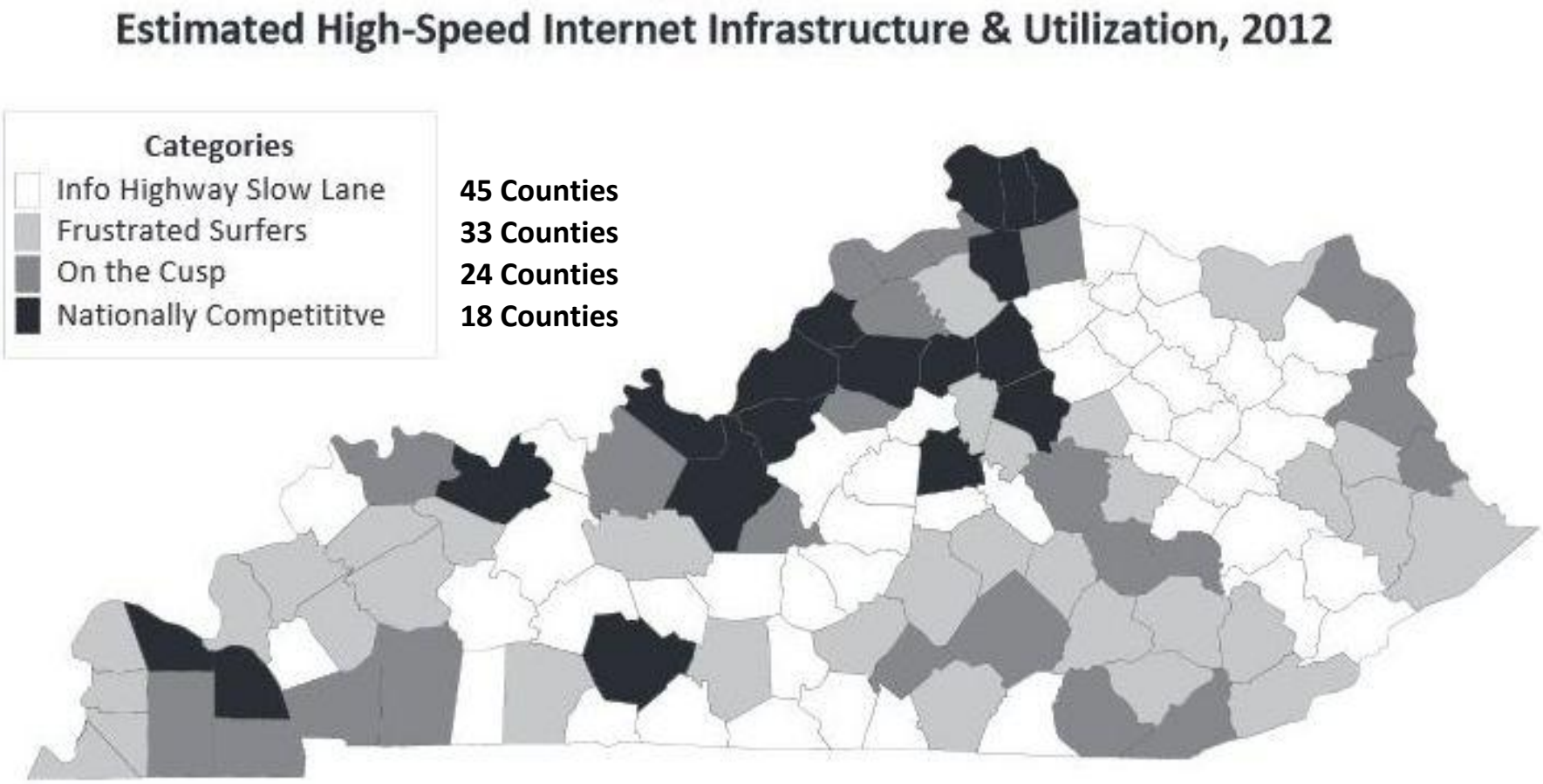


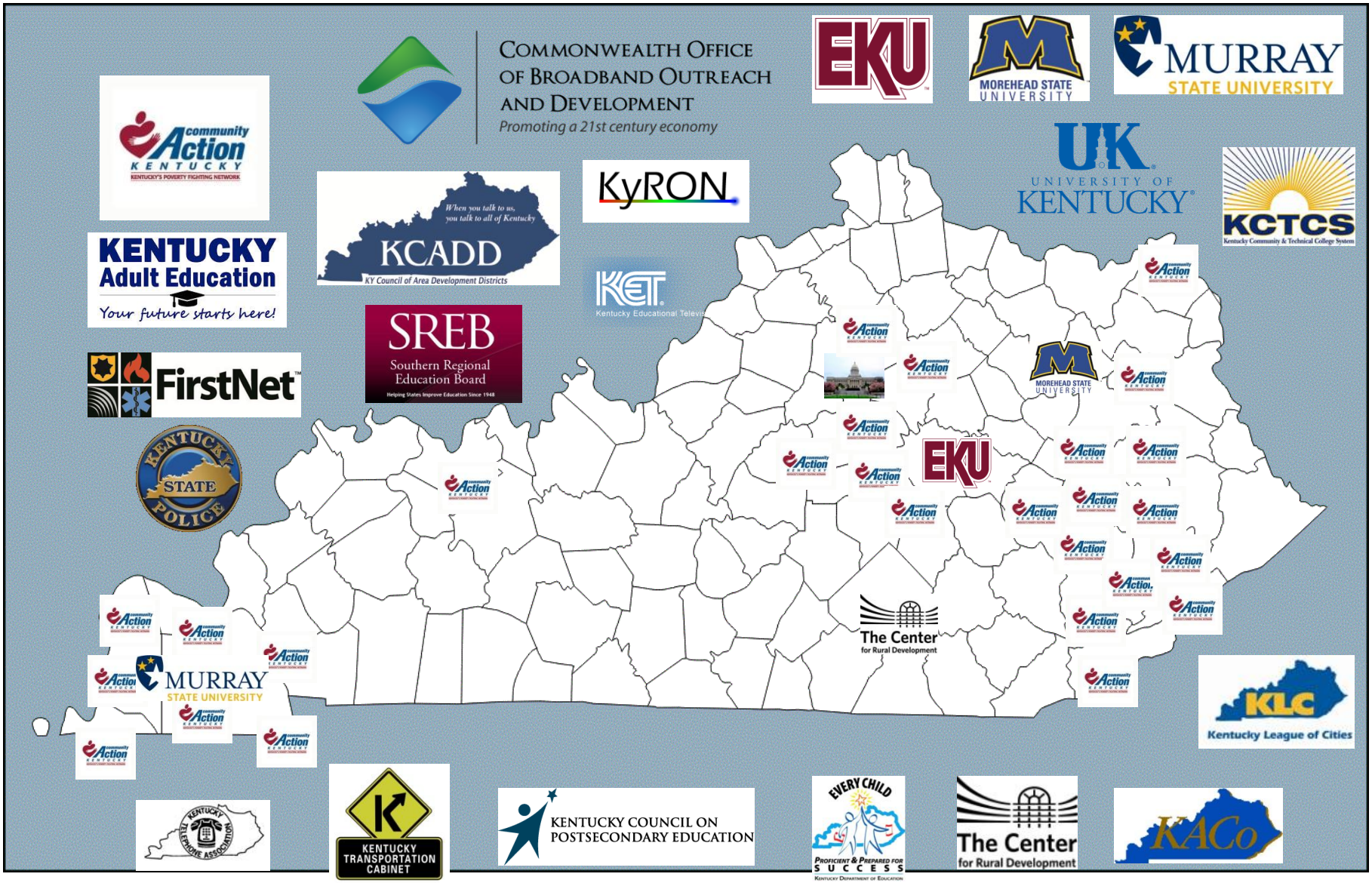
Broadband Speed Density



Map data current as of June 30, 2013

County Speed Rankings



The Internet in Kentucky: Life in the Slow Lane, Michael T. Childress

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